



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	SB0144	Title:	DUI license plates
Primary Sponsor:	Shockley, J.	Status:	As Introduced

- | | | |
|---|---|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input checked="" type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$38,854	\$45,580	\$46,628	\$47,707
Revenue:				
General Fund	\$117,000	\$156,000	\$156,000	\$156,000
Net Impact-General Fund Balance	<u>\$78,146</u>	<u>\$110,420</u>	<u>\$109,372</u>	<u>\$108,293</u>

Description of fiscal Impact:

The passage of this bill would increase costs to Department of Justice in administering this law and to the Department of Corrections in the cost of producing the newly required plates. The revenues created by this bill would more than offset the anticipated costs associated with this bill.

FISCAL ANALYSIS

Assumptions:

- Annually, there are 200 2nd or subsequent BAC offenders and 2,400 implied consent refusals. This volume of activity on a driver's license represents a level of effort that is similar to that which is now applied to driver license suspensions for child support actions.
- Section 1 provides that the "fee for the plates" is equal to the cost of new license plates (\$10.00 for a new set of plates and decals) plus \$50 for the DUI plate fee. It is assumed the vehicle registration fees (other than the new plate fee) would be carried forward to the new plates. The new plate fee (\$10.00) and the fee for plates (\$50.00) would be deposited fully to the state general fund.

3. Section 1 states that the license plate fee will be equal to the cost of regular license plates, which is currently \$10.00 (\$5.00 manufacturing fee and \$5.00 duplicate tab fee), plus an additional \$50.00 for the DUI plate fee.
4. It is the assumption that this law would go into affect 10-1-2007; therefore revenue for the first fiscal year is estimated at 75% of total revenue. The additional gross revenue to the general fund is estimated to be \$117,000 ($\$10 + \$50 = \$60 \times 2,600 \times 75\%$) the first year of the biennium and \$156,000 ($\$10 + \$50 = \$60 \times 2,600$) the second year.
5. For each additional vehicle owned by persons affected by the passage of this bill, it is estimated that net revenues of \$55.91 ($\$60 - \4.09 (production cost)) will be realized by the general fund.

Department of Justice – Motor Vehicle Division

6. There will be 1.00 FTE (Grade 3 Driver Control Analyst) needed to correspond with law enforcement and the individuals whose motor vehicle license plates may be suspended if this bill were passed. Personal services expenses would increase \$23,132 in FY 2008, \$31,769 in FY 2009, \$32,722 in FY 2010, and \$33,703 in FY 2011.
7. One-time operating costs would increase in FY 2008: \$2,775 for new employee office package of desk, chair, file cabinet, and computer.
8. Operating costs would increase \$2,313 in FY 2008, \$3,177 in FY 2009, \$3,272 in FY 2010, and \$3,370 in FY 2011 for supplies and communications costs.
9. Assumed after 5 days of the receipt of the order, the MVD would take no action until vehicle owner applies for the new plate.

Department of Corrections – Montana Correctional Enterprises

10. Per submitted MCE budget proposal, it is estimated that it will cost \$4.09 to produce a set of license plates next biennium. It is assumed that the 2,600 sets of DUI license plates will be in addition to the regular issued plates, and that regular plate orders will not decline.
11. The additional cost to the general fund to produce the additional 2,600 sets of plates would be \$10,634 for each year of the biennium. This cost includes all supplies and materials, including reflective sheeting, aluminum and packaging materials, as well as other operational expenditures. The cost does not include any personal services, as the addition of 2,600 sets of plates (5,200 single plates) will not warrant additional FTE or inmate labor.

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
Department of Justice				
FTE	0.75	1.00	1.00	1.00
<u>Expenditures:</u>				
Personal Services	\$23,132	\$31,769	\$32,722	\$33,703
Operating Expenses	<u>\$5,088</u>	<u>\$3,177</u>	<u>\$3,272</u>	<u>\$3,370</u>
TOTAL Expenditures	<u>\$28,220</u>	<u>\$34,946</u>	<u>\$35,994</u>	<u>\$37,073</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$28,220	\$34,946	\$35,994	\$37,073
<u>Revenues:</u>				
General Fund (01)	\$117,000	\$156,000	\$156,000	\$156,000
Department of Corrections				
<u>Expenditures:</u>				
Operating Expenses	\$10,634	\$10,634	\$10,634	\$10,634
<u>Funding of Expenditures:</u>				
General Fund (01)	\$10,634	\$10,634	\$10,634	\$10,634
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$78,146	\$110,420	\$109,372	\$108,293

Technical Notes:

1. Currently, there is no systematic process to determine what vehicles are owned or co-owned by a driver since the driver's license number is not tied to a vehicle registration. It is anticipated that this limitation of the existing motor vehicle system would eventually be reduced by the new Montana Enhanced Registration and Licensing Information Network (MERLIN) system as vehicles are sold and re-titled.
2. It is unknown whether applications would be submitted for the special license plates for those vehicles whose registrations would be required to be impounded and/or surrendered. It does not appear that this bill would affect subsequent motor vehicle purchase transactions.
3. This bill only applies to 2nd or subsequent BAC offenders and 2,400 implied consent refusals; not 2nd or subsequent offense DUI offenses.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date